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U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

ONE HUNDRED SECOND CONGRESS
2129 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6050

November 13, 1991

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(202) 225-4247

Honorable James A. Baker III
Secretary of State
2201 C Street NW
Washington, D.C. 20520

Dear Secretary Baker:

The Committee on Banking, Finance and Urban Affairs is conducting an investigation of Banca Nazionale del Lavoro (BNL) which provided Iraq with over \$4 billion in loans during the latter half of the nineteen eighties. The Committee respectfully asks for your cooperation with this investigation.

Specifically, the Committee is investigating how BNL loans were used to provide Iraq with the technology and know-how necessary to produce weapons of mass destruction. To date, the Committee has identified over 200 beneficiaries of BNL loans to Iraq. Many of those companies have been identified as providing Iraq with the technology or know-how to produce conventional or non-conventional weapons.

As you are aware, United Nations Security Council Resolution 687 mandates the "destruction, removal or rendering harmless" of Iraq's weapons of mass destruction. The Committee has been in contact with the organizations responsible for achieving that mandate, the International Atomic Energy Agency (IAEA) and the United Nations Special Commission (U.N. Special Commission).

The IAEA and the U.N. Special Commission have both informed the Committee that they have compiled a list of companies, including numerous U.S. firms, that may have supplied Iraq with the technology and know-how necessary to develop conventional and nonconventional weapons. Both have stated that they are not authorized to provide the Committee with the names of these companies.

While the IAEA and the U.N. Commission did state that the "lists" are available to U.N. member countries, they informed the Committee that the United States Mission to the U.N. has not formally requested copies of the lists.

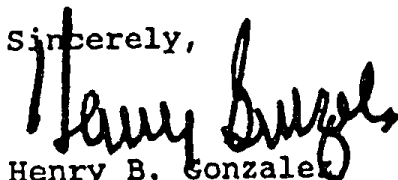
Why has the State Department failed to formally request a copy of the IAEA and U.N. Special Commission lists of U.S. companies that may have provided Iraq with the technology and know-how to develop weapons of mass destruction? The Committee understands that the IAEA and the U.S. Special Commission have not completed their work, but both the IAEA and the U.N. Special Commission have lists available at this time.

So that the Committee may learn more about the implications of BNL loans to Iraq, especially those used to enhance Iraq's weapons capability, please request the IAEA and the U.N. Special Commission lists and forward a copy of them to the Banking Committee by the close of business, November 22, 1991.

Questions regarding this request should be directed to Mr. Dennis Kane. Mr. Kane has a "Top Secret" security clearance from the Department of Defense and the Committee has a CIA-approved secured safe to protect the confidentiality of this information.

Thank you for your consideration of this request. The Committee looks forward to your timely reply.

Sincerely,

A handwritten signature in dark ink, appearing to read "Henry B. Gonzalez", written in a cursive style.

Henry B. Gonzalez
Chairman

HBG:dk